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(Dated May, 1996)

# **REPUBLIC OF ARMENIA**

# DECISION OF THE GOVERNMENT ON STATE REGISTRATION OF REAL PROPERTY

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PART	I PRELIMINARY	1
1.	<u>Definitions</u>	1
	II ORGANIZATION OF THE REAL PROPERTY REGISTRATION SYST	ΓEM
	Real Property Registries	2
	<u>Chief Registrar</u>	2
	The Registrar	2
	Powers of the Registrar	3
	Seal of the Registration Office	3
7.	<u>Liability of Registration Officers</u>	Ź
PART	III REGISTRATION OF REAL PROPERTY	3
8.	The Real Property Register	4
9.	Effect of Registration	2
10.	Priority of Registration	۷
11.	Required Registration	4
12.	Delay in Registration	4
13.	Power to Compel Registration	5
14.	Stay of Registration	5
15.	Registration of Co-Proprietors of Real Property Units	5
PART	IV MAPS, PARCELS AND BOUNDARIES	5
	Registration Index Map	4
	Correction of the Registration Index Map and New Editions	6
	Boundaries	6
	Maintenance of Boundary Features	7
	Interference with Boundary Features	-
	Combinations and Subdivisions	-
	Transfers of Part of a Real Property Unit	8
DART	V FIRST DECISTRATION OF A DEAL DROBERTY LIMIT	c
	V FIRST REGISTRATION OF A REAL PROPERTY UNIT	3
	First Registration	3
	Provisional Registration	3
	Public Notice  Leading of Provisional Provisional	9
	Legalization of Provisional Register  Provisional Register  Provisional Register	9
27.	Resolution of Conflicting Claims in Provisional Registration	9
PART	VI INSPECTIONS AND COPIES	9
28.	Inspections and Copies	Ç

PART '	VII REGISTRATION OF LEASES, MORTGAGES, USE RIGHTS, AND	)
OTHER	R INTERESTS IN REAL PROPERTY	10
29.	Registration of Leases	10
30.	Registration of Mortgages	10
31.	Satisfaction of a Mortgage	10
32.	Registration of Use Right	10
33.	The Registration of Transfer of Ownership by Law, by Judgment of the Court, or by Admin	<u>istrative</u>
Act	<u>s</u>	11
34.	The Registration of a Partition of Co-Owned Real Property	11
35.	Registration of Powers of Attorney	11
36.	Registration of Instruments Completed Abroad	11
PART '	VIII EASEMENTS, RESTRICTIVE AGREEMENTS AND RESTRICTION	NS11
37.	Registration of Easements	11
	Registration of Restrictive Agreements	12
	Registration of Restrictions	12
	Notice and Effect of Restrictions	12
41.	Modification and Termination of Easements, and Restrictive Agreements	12
PART	IX SUBDIVIDED BUILDINGS	13
42.	Subdivided Buildings	13
PART :	X RECTIFICATION AND COMPENSATION	13
43.	Rectification by the Registrar	13
	Compensation	14
	Amount of Compensation	14
PART :	XI DECISIONS OF REGISTRAR AND APPEALS	14
	Power of Registrar to Make a Statement	14
47.	<u>Appeals</u>	14
PART :	XII FEES AND OFFENSES	15
48.	<u>Fees</u>	15
49.	<u>Offenses</u>	15
PART :	XIII MISCELLANEOUS	15
50.	Rules	15
	Transfer of Documents to the Registration Office	15
	Conflict with Other Laws	16
	Commencement	16

# **PART I Preliminary**

#### 1. <u>Definitions</u>

In this Decision the following definitions shall apply:

"Chief Registrar" means the person appointed to assure that the Registrars of the real property registries throughout the country manage their Registries in a consistent manner and in accordance with the law;

"Court" means the courts designated by Armenian law to resolve disputes concerning real property;

"Document" includes any ownership document, document granting use rights, lease, mortgage, court judgment, or other document requiring or capable of registration under this Decision;

"Real property" means land, and buildings, as well as other objects defined as real property in the Law of the Republic of Armenia "On Real Property";

"Real property unit" means a land parcel, an apartment or any other unit of real estate that is separately delineated on the registration index map, and may be owned separately from other such units under the Law of the Republic of Armenia "On Real Property;"

"Proprietor" means the person whose name is registered under this Decision as the owner of a real property unit;

"The register" means the page of the Register Book which is kept for each real property unit;

"To register" means to make an entry, note or record in the register;

"Register Book" means the set of all registers for all immovable property units in a specific registration district;

"Registrar" means the person in charge of operating the registration office of a defined registration district;

"Registration district" means a local subdivision or geographic area designated by the Government in collaboration with the Chief Registrar for purposes of registration of real property under this Decision;

"Registration office" means a real property registration office established under this Decision;

"Registration Index Map" means the map or series of maps referred to in Part III of this Decision;

"Restriction" means an order of the Registrar to restrict registrations or transactions relating to a particular real property unit;

"Restrictive agreement" means a document restricting the use of a real property unit;

"Survey" means the determination of the boundaries of a real property unit;

"Survey plan" means the document that shows the boundaries of a real property unit.

# PART II Organization of the Real Property Registration System

#### 2. Real Property Registries

There shall be established and maintained in each registration district defined under the authority of the Government, a real property registration office in which there shall be kept:

the register book and the registers, in accordance with the provisions of Part II of this Decision;

- a registration index map of the registration district, in accordance with the provisions of Part III of this Decision;
- a) files relating to each real property unit containing the documents that support entries in the register and any plans and documents filed in the registration office:
- b) indices of these records and other records necessary for the operation of a real property registration office.

#### 3. Chief Registrar

The Government shall appoint a Chief Registrar and a Deputy Chief Registrar who shall administer the registration of real property throughout the Republic of Armenia.

In the absence, for whatever reason, of the Chief Registrar, the Deputy Chief Registrar may exercise any of the powers vested in the Chief Registrar by this Decision.

#### 4. The Registrar

The Chief Registrar shall appoint a Registrar for each registration district.

The Registrar for each registration district shall be responsible to the Chief Registrar for the

maintenance of records and all other aspects of the administration of the registration office in his or her registration district.

# 5. Powers of the Registrar

The Registrar may exercise the following powers in addition to any other powers conferred on him/her by this Decision:

issue certified copies of the register;

- require any person to produce any document or survey plan relating to the real property unit in question, and that person shall be obligated to produce it;
- summon any person to appear and give any information or explanation respecting real property, and that person shall appear and give the requested information or explanation;
- a) suspend registration if any document, certificate, survey plan, information or explanation required to be produced or given is withheld or any act required to be performed under this Decision is not performed;
- b) with the authorization of the Chief Registrar, require a person who presents incorrect information to pay to the registration office the expenses which the registration office incurs in the process of verification of that incorrect information.

## 6. Seal of the Registration Office

There shall be a seal for each registration office. Every document issued by the registration office shall contain its seal.

#### 7. <u>Liability of Registration Officers</u>

The Chief Registrar and any Registrar shall not, nor shall any other employee of the registration office, be personally liable for any damages resulting from any act or matter done or omitted to be done in good faith in the exercise of their powers and duties under this Decision, or any regulations made under it. Such officers and employees shall be subject to the prescribed penalties for violations of law.

# PART III Registration of Real Property

## 8. The Real Property Register

The Register Book in each registration office shall include a register for each real property unit in the registration district, whether publicly or privately owned. The registers shall be divided into three sections:

the property section, containing a brief description of the real property unit, and a reference to the registration index map and any filed survey plan;

the proprietorship section, containing the name and address of the proprietor, or, if the real property unit is state-owned, the name and address of any holder of a use right or lease granted by the state;

the encumbrance section, containing a note of every encumbrance and right adversely affecting the real property unit.

## 9. Effect of Registration

Once a real property unit has valid registration, every subsequent transaction involving rights to it shall be registered in conformity with the provisions of this Decision.

The registration of a real property unit gives a person as individual, co-owner, or as representative of a family, or as a legal person the right to enjoy the real property unit in conformity with the law.

All physical and legal persons shall be deemed to have had notice of every entry in the register.

#### 10. Priority of Registration

Registered documents shall have priority according to the order in which the documents which led to their registration were properly presented to the Registrar, irrespective of the dates of execution of the documents, and irrespective of the timing of their actual entry in the register.

# 11. Required Registration

Any contract or other document affecting rights to real property shall be presented for registration no later than thirty days from the time the contract or other document is executed.

## 12. Delay in Registration

Where a document is presented more than thirty days after the date of the execution of the document, then, in addition to the registration fee, an additional fee equal to ten per cent of the registration fee shall be payable for each day which has elapsed since such date.

#### 13. Power to Compel Registration

If the Registrar believes that any person has purposely failed to register any document which is required to be registered under this Decision, the Registrar may by notice in writing order such person to present such document for registration, and thereupon the registration fee and any additional fee payable shall become due and shall be payable by such person whether the document is presented for registration or not.

# 14. Stay of Registration

A person proposing to deal with a registered real property unit, with the consent in writing of the proprietor, may apply to the Registrar for the suspension of any other transactions or actions concerning this unit. If this application for suspension is approved, the registration of any document affecting the real property unit shall be stayed for a period (hereinafter referred to as the suspension period) of fifteen days from the time at which application for the suspension was approved by the Registrar, and a note shall be made in the register accordingly.

If within the suspension period a properly executed document is presented for registration by the person who has requested the suspension, such document shall have priority over any other document which may be presented for registration during the suspension period.

#### 15. Registration of Co-Proprietors of Real Property Units

The register for any real property unit that is owned by two or more proprietors shall show:

- a) whether such persons are joint tenants or tenants-in-common; and
- b) if they are tenants-in-common, the share of each proprietor.

# PART IV Maps, Parcels and Boundaries

## 16. Registration Index Map

Each Registrar shall prepare and maintain a map or series of maps, to be called the registration index map for the registration district covered by that registration office.

The registration index map shall show the boundaries and geographical locations of real property units as well as other features.

Each real property unit shall have a unique identification number, the same number being used to identify the real property unit on its register and on the registration index map.

A survey plan of a particular real property unit may be filed to augment the information available from the registration index map, and the filing of the survey plan shall be noted in the register.

## 17. Correction of the Registration Index Map and New Editions

The Registrar may cause to be made a survey of any real property unit for the purposes of this Decision and, after informing every person affected thereby, may cause the registration index map to be corrected as a result of the mentioned survey.

The Registrar may correct any error in the registration index map which does not affect the interest of any physical or legal person.

The Registrar may, at any time, direct the preparation of a new registration index map or any part thereof, and may omit from the Map any matter which the Registrar considers obsolete.

#### 18. Boundaries

The registration index map indicates the approximate boundaries, areas and location of all real property units.

When the parties to a dispute concerning a boundary or boundaries agree to resolve the dispute, the Registrar shall record the agreement on the registration index map and on the affected registers, and shall file the agreement signed by the parties to the dispute.

Where any uncertainty or dispute arises as to the position of any boundary, and the parties to the dispute cannot agree concerning such boundary, the Registrar shall instruct them to present the dispute to the competent court within fifteen (15) days, and shall make a notation on the Register. If there is no petition to the court within the specified time, the Registrar shall make the appropriate notation in the register that there is a dispute and the parties have not yet submitted the dispute to court.

#### 19. Maintenance of Boundary Features

Every proprietor of a real property unit shall maintain in good order any features which demarcate the boundaries of the real property unit.

The Registrar may in writing order the demarcation within a specified time of any boundary in such manner as he/she may direct.

The Registrar may in writing order which of adjoining proprietors shall be responsible for the care and maintenance of any feature demarcating a common boundary, and the person so identified will have the responsibility. Within thirty (30) days the proprietors have the right to appeal in court against the order of the Registrar. If they fail to appeal within this period of time, they lose their right to appeal.

## 20. Interference with Boundary Features

Any person found to have illegally modified or damaged any boundary whether or not any penalty is imposed upon him/her, shall be liable to pay the cost of restoring the boundary, and such cost shall be considered as a civil debt of that person.

#### 21. Combinations and Subdivisions

Where contiguous real property units are owned by the same proprietor and are subject in all respects to the same rights and obligations, the Registrar, on application by the proprietor, may combine these property units by closing the registers relating to them and opening a new register or registers and revising the registration index map in respect of the real property unit or units resulting from the combination.

Upon the written application of the proprietor for the division of a real property unit into two or more real property units, the Registrar shall effect the division by closing the register relating to the real property unit and opening new registers and revising the registration index map in respect of the new real property units resulting from the division, and recording in the new registers all existing entries appearing in the closed register. Where a proprietor wishes to subdivide his/her real property unit, the Registrar shall require the proprietor to submit a survey plan of the proposed subdivision prepared by a licensed surveyor and certified by the appropriate authority as conforming with the requirements of law.

The Registrar may, on the application of the proprietors of contiguous real property units who are desirous of changing the layout of their property units, and with the consent in writing of all other persons in whose names any right in such property units is registered, cancel the registers relating to such property units, update the registration index map in accordance with the revised layout and create new registers for the new real property units; provided that, in case the Registrar determines that the proposed reparcellation involves substantial changes of ownership interests which should be effected by transfers, the Registrar may in his/her discretion refuse to effect such reparcellation.

The Registrar must not allow any reparcellation which affects the legal rights of a third party unless that party consents.

# 22. Transfers of Part of a Real Property Unit

No part of a real property unit shall be transferred unless the proprietor has first subdivided the real property unit, in accordance with legislation, and new registers have been opened in respect of each newly created real property unit.

# PART V First Registration of a Real Property Unit

## 23. First Registration

The first registration of any real property unit shall require the preparation of a Register in accordance with the provisions of this Decision.

# 24. Provisional Registration

The Registrar shall prepare a provisional register for each real property unit based on the following information and documents:

- All state akts granting ownership or use rights, state leases, contracts of privatization, or other documents by which the state has granted rights in a real property unit to any physical or legal person.
- All physical and legal persons, private or state, who possess a real property unit in accordance with legislation but do not hold any ownership document under Paragraph a, are obliged to present to the Registrar an application for registration. This application shall contain a notarized, personal declaration of ownership, a survey plan of the real property unit, and notarized declarations from neighbors as to the correctness of the boundaries, and notarized copies of any other documents which support the application for registration.

## 25. Public Notice

A public display of the provisional register and the provisional registration index map shall take place for ninety (90) days in a prominent and convenient place for public examination within the registration district where the property units are located.

Notice shall also be provided for that ninety (90) day period in a public manner designed to notify individuals who might make a claim to the real property units in question.

During that ninety (90) day period any physical or legal person may make a written claim to the Registrar identifying the real property unit and describing any claimed error or omission in the provisional register for that real property unit. No claim presented orally or after that ninety (90) day period will be accepted.

## 26. <u>Legalization of Provisional Register</u>

Following the ninety (90) day public notice period, all real property units for which there are no pending claims shall be given valid registration and from this moment the Registrar may issue certified copies of the registers and copies of the index maps.

# 27. Resolution of Conflicting Claims in Provisional Registration

The Registrar shall consult with the parties making claims about the information contained in the provisional registers or in the provisional registration index map and attempt to correct any errors and to resolve any disputes through the mutual agreement of all affected parties. Such mutually agreed upon corrections and resolutions shall be recorded in a notarized document. Any dispute already resolved by any legally constituted commission or court precludes any further action by the Registrar.

Any disputes which cannot be resolved with the mutual agreement of the affected parties shall be referred to the competent Court, and a notation placed on the relevant Registers concerning the existence of the disputes and the Court to which the disputes have been referred.

# **PART VI Inspections and Copies**

## 28. <u>Inspections and Copies</u>

Any person may examine and inspect any register. Any person may obtain a certified copy of the register, or an uncertified copy of a part of the registration index map, or any document or survey plan filed in the Registration office, by presenting a written request to the Registrar and by paying the required fees. A certified copy of the register shall constitute evidence of the status of the register at the time of certification. The register kept in the registration office shall constitute the only legally binding record of the status of ownership interests and other interests in a real property unit.

# PART VII Registration of Leases, Mortgages, Use Rights, and Other Interests in Real Property

## 29. Registration of Leases

A lease of a real property unit for a period less than one year is not required to be registered. Any lease for a real property unit for a period of one year or more must be registered.

If a lease is for a part of a state owned real property unit and has a duration of one (1) year or longer, a separate Register shall be created for each part of the real property unit and a notation made on the registration index map.

# 30. Registration of Mortgages

All mortgages of real property shall be registered in the register for the real property unit that is the subject of the mortgage.

## 31. Satisfaction of a Mortgage

The Registrar shall order a mortgage to be canceled in the register upon proof to the satisfaction of the Registrar:

that all money due under a mortgage has been paid to the mortgagee; and that no additional moneys or obligations secured by the mortgage remain to be paid or fulfilled

## 32. Registration of Use Right

For any state-owned real property unit for which the state has granted a use right to any physical or legal person, the identity of the holder of the use right shall be noted in the appropriate section of the register and the state shall be noted as the Proprietor.

# 33. The Registration of Transfer of Ownership by Law, by Judgment of the Court, or by Administrative Acts

Where the State or any physical or legal person has become entitled to the right of ownership of any real property unit based on a law, court decision, or any administrative act, the Registrar shall, on the application of any interested person supported by such evidence as the Registrar may require, register the State, physical or legal person as the proprietor.

# 34. The Registration of a Partition of Co-Owned Real Property

If all the co-proprietors agree through a notarized document, partition of a real property unit owned by them may be made. Partition shall be completed by following the procedure for subdivision set out in Section 21.

## 35. Registration of Powers of Attorney

Upon the application of the person giving the power of attorney to another person, or the holder of the power of attorney, such power of attorney shall be entered in the ownership section of the Register of the real property unit in question, and the original shall be stored in the archive.

# 36. Registration of Instruments Completed Abroad

All relevant documents prepared abroad, when presented for registration, shall be translated and legalized according to law.

# PART VIII Easements, Restrictive Agreements and Restrictions

#### 37. Registration of Easements

The proprietor of a real property unit may grant an easement over his or her real property unit to the proprietor of another real property unit for the benefit of that other real property unit. All easements shall be subject to registration under this Decision. The document that creates the easement shall specify:

the nature of the easement, the period for which it is granted and any conditions or restrictions intended to affect its enjoyment;

the real property unit or part of it burdened by the easement; and

the real property unit or part of it benefited by the easement.

The Registrar may require that the document also include a survey plan sufficient in the Registrar's estimation to describe the location and extent of the easement.

The registration of the easement shall be completed by its notation in the encumbrance section of the register of the real property unit burdened by the easement and in the property section of the real property unit benefited by the easement.

#### 38. Registration of Restrictive Agreements

Where a document containing a restrictive agreement is presented to the Registrar, the Registrar shall note the restrictive agreement in the encumbrance section of the register of the real property unit burdened by the restrictive agreement and shall file the document.

# 39. Registration of Restrictions

The court may make an order inhibiting for a particular time, or until the occurrence of a particular event, or generally until further order, the registration of any transactions on a specific real property unit. A copy of the order identifying the real property unit shall be sent to the Registrar who shall register it in the appropriate register, and no such order shall be binding until it has been registered.

## 40. Notice and Effect of Restrictions

Upon the entry of a restriction, the Registrar shall give notice in writing to the parties affected thereby.

So long as any restriction remains registered, no document which is inconsistent with it shall be registered except by court decision or by the order of the Registrar.

## 41. Modification and Termination of Easements, and Restrictive Agreements

Upon presentation of a request and appropriate documents by the proprietor of the real property unit benefited by an easement or by the person benefited by a restrictive agreement, terminating the easement or restrictive agreement, the Registrar shall remove the easement or restrictive agreement from the register of the real property unit or units in question.

# PART IX Subdivided Buildings

#### 42. Subdivided Buildings

In buildings in which separate real property units (such as apartments or non-residential commercial premises) are owned by more than one physical or legal person, each such apartment, non-residential commercial premise or other real property unit shall be assigned its own identification number on the registration index map and shall have its own register. The identification numbers of apartments, non-residential commercial premises or other real property units within a building shall be linked to the identification number for the land plot on which the building is located. The register for each real property unit shall indicate the

ownership share of any common area associated with that real property unit.

The register for each real property unit shall include a plan of the building identifying the separate real property units and any areas owned in common. Any document, agreement or restriction that affects more than one real property unit in a building (for example the charter of a condominium association) shall be recorded in the register for all affected real property units.

Subdivision of a building into separate real property units shall be subject to provisions of this Decision relating to subdivision; provided that any building in which separate units of real property have been created by virtue of privatization shall be deemed to be legally subdivided.

# PART X Rectification and Compensation

# 43. Rectification by the Registrar

The Registrar may rectify the register or any document presented for registration in the following cases:

in the case of errors or omissions not materially affecting the interest of any proprietor;

in any case and at any time with the consent of all persons interested; or

where, upon re-survey, a dimension or area shown in the register or on the registration index map is found to be incorrect, but in such case the Registrar shall first give notice to all persons appearing on the register who will be affected by the rectification.

Upon proof of the change of the name or address of any proprietor, the Registrar shall, on the written application of the proprietor, make an entry in the register to record the change.

#### 44. Compensation

Any person shall be entitled to reimbursement from the Government if he/she suffers damage by reason of:

any rectification of the register under this Decision;

- any mistake or omission in the register that cannot be rectified under this Decision, other than a mistake or omission in a first registration; or
- a) any error in a copy of or extract from the register or in a copy of or extract from any document or plan certified under this Decision.

# 45. Amount of Compensation

When compensation is awarded in respect of any loss relating to any interest in real property, it shall be calculated in accordance with the Regulations implementing this Decision.

# **PART XI** Decisions of Registrar and Appeals

## 46. Power of Registrar to Make a Statement

For any claim or dispute presented to the Chief Registrar concerning the exercise of the duties of any Registrar, the Chief Registrar is required, before making a decision, to request in writing the statement of the Registrar.

## 47. Appeals

Any person aggrieved by a decision, direction, order, determination or award of the Registrar, which has been reviewed by the Chief Registrar, may, within thirty days of the rendering of the final decision, direction, order, determination or award by the Chief Registrar, give notice to the Registrar in the prescribed form of the intention to appeal to the appropriate court against the decision, direction, order, determination or award.

On receipt of a notice of appeal, the Registrar shall prepare and send to the appropriate court, with an information copy to the Chief Registrar and to the appellant, and to any other person appearing to the Registrar from a review of the register to be affected by the appeal, a brief statement of the issue in question. A note that an appeal to the Chief Registrar or to the court is pending shall be made in the register affected by the appeal and any disposition shall be subject to such notice.

The court shall make such order on appeal as the circumstances may require, and every such order shall be carried out by the Chief Registrar. The court may assign the costs of the appeal or apportion the costs among the parties as it deems appropriate.

# **PART XII Fees and Offenses**

#### 48. <u>Fees</u>

Fees shall be payable in respect of certified copies of the register, copies of maps or documents in the register, searches, survey plans, printed forms and all other matters connected with registration.

The Registrar may refuse registration until the fees are paid.

At the end of each financial year, the income in excess of the budget of the Registration Office goes to the central office budget.

#### 49. Offenses

Any declaration or action which contradicts this Decision is a violation of law. When the offense does not constitute a penal act, the Registrar may apply a fine from \_\_\_\_\_ drams to \_\_\_\_ drams. An appeal against the decision of the Registrar must be presented in the court of the district where the offense occurred within 15 days from the day of the notification of the fine.

## **PART XIII Miscellaneous**

# **50.** Rules

The Chief Registrar shall issue legal rules for the application of the provisions of this Decision, provided that such rules shall be subject to approval by the Government.

## 51. Transfer of Documents to the Registration Office

Upon legalization of the register in accordance with this Decision, all documents reflected in the register shall be transferred free of charge to the registration office.

#### 52. Conflict with Other Laws

No other law, decision, practice or procedure shall apply to the registration of real property so far as it is inconsistent with this Decision.

# 53. Commencement

This Decision enters into effect fifteen days after its publication.